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CENTRAL INTILLITERICE AGENCY

Office of Chief, Economic Research, OFFR

Project Action Homorandum

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Preject No. 6

DATE: 20 October 1953

TITLE: Consumer Goods in the European Satellites

HEGHESTER: Chief, Economic Research for EDAC and ONE

Completed.

STATEMENT OF FROMOT!

What consumer goods are in shortest supply in the European Satellites?

What is the effect of the increased shipments consumer goods to East Germany or the other Satellites. (See attacked memorandum.)

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	Action Division				Contribution Division			
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SURVECT: Consumer Goods in the European Satellites

- 1. What consumer goods are in shortest supply in the European Satellites? (This question has been raised by EDAC, who are concerned with the question of propagandizing shipments of consumer goods from the Sest to the Satellites.)
- 2. What is the effect of the increased shipments of consumer goods in Mast Germany or the other European Satellites? (This question has been raised by CME). The problem here is to find out whether the increased flow of consumer goods, particularly food, to East Germany have had any effect on living standards in the other European Satellites. It may be that most of the food shipments have come from the USSE itself and have been taken from state reserves; in this case the impact on the living standards in the other satellites would be virtually zero. On the other hand, if food balances have been drained off from other satellites, this may raise questions of potential dangers to the Soviets from possible food shortages.